of Rs. 505.38 lakhs have been sanctioned at various places in Arunachal Pradesh during the last three years.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Financial Assistance to Indian Airlines

2888. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government have sanctioned an amount of Rs. 10,000 crores to Indian Airlines for purchase of more aircrafts;

(b) if so, the number of aircrafts to be purchased and from which country together with the terms and conditions; and

(c) what shall be the strength of Indian Airlines fleet and to what extent the traffic facility shall be extended?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) to (c) To meet its long-term requirements, Indian Airlines has carried out a techno-economic evaluation for induction of suitable aircraft type available in the market. According to the study about 38 additional Jet aircraft are required for capacity growth as well as replacement untill 2006-07. The project cost of induction of these aircraft would be approximately Rs. 9,000 crores phased over five years period. Government of India has decided in principle to consider releasing Rs. 325 crores as equity infusion in Indian Airlines in the form of margin money for acquisition of new aircraft. The remaining cost is to be borne by the company through raising internal resources and through external commercial borrowings. Between 10-15 per cent funding is expecting to be raised through internal resources the balance from external commercial borrowings payable over 10-12 years. Indian Airlines has asked the manufacturers to submit revised financial bids by 21.12.2001 in view of the softening of aircraft market as a consequence of events of 11th September in USA.